

Missouri Extended Mass Layoff Review

2nd Quarter, 2002

Prepared by Tom Reichart, Research Analyst
Mass Layoff Statistics Program

The Mass Layoff Statistics (MLS) program is a Federal-State cooperative statistical effort which uses a standardized, automated approach to identify, describe, and track the effects of major job cutbacks, using data from each state's unemployment insurance database. This report looks at establishments that had 50 or more initial claims for unemployment insurance during a 5-week period, with at least 50 workers separated for more than 30 days. This scenario constitutes one layoff event. *Seasonal events are not included in this report.*

In the 2nd quarter of 2002, there were 16 mass layoff events in Missouri, which resulted in the separation of 2,228 workers from their jobs for more than 30 days. By comparison, there were 15 events and 1,753 separations in the 1st quarter of 2002, and 20 events and 4,138 separations in the 2nd quarter of 2001.

Among the employers laying off, 4 expect a recall, 11 expect no recall, and 1 was unsure if there were going to be recalls. Of the 2,228 workers laid off, approximately 32.3% are expected to be recalled.

Quarter	Events	Separations
1998		
1st Quarter	19	2,090
2nd Quarter	19	5,862
3rd Quarter	17	5,654
4th Quarter	22	3,003
1999		
1st Quarter	22	1,170
2nd Quarter	13	*
3rd Quarter	7	*
4th Quarter	14	2,509
2000		
1st Quarter	10	1,830
2nd Quarter	14	2,277
3rd Quarter	12	1,083
4th Quarter	9	598
2001		
1st Quarter	11	1,708
2nd Quarter	20	4,138
3rd Quarter	22	4,603
4th Quarter	22	2,183
2002		
1st Quarter	15	1,753
2nd Quarter	16	2,228

*Separations data not available.

Industry Overview

The Manufacturing sector accounted for 8 of the layoff events and 1,095 (49.1%) of the separations. This was an increase from the 4 events and 359 separations for Manufacturing in the 1st quarter of 2002. Transportation, Communications, and Utilities accounted for 5 events and 763 separations in the 2nd quarter of 2002.

The remaining mass layoffs were in Construction (1 event, separations data not available), Wholesale Trade (1 event, 200 separations), and Services (1 event, 170 separations).

Industry	2nd Quarter, 2002	
	Events	Separations
Construction	1	*
Manufacturing	8	1,095
Transport, Comm, Utilities	5	763
Wholesale Trade	1	200
Services	1	170
TOTAL	16	2,228

Layoffs by Reason

Layoff events are identified by reason for layoff. The more prevalent reasons for layoffs include Bankruptcy, Contract Completed, Financial Difficulty, Labor Dispute, Reorganization within the Company, and Slack Work.

Layoffs due to Slack Work accounted for 4 events and 395 separations in the 2nd quarter of 2002. Contract Cancellation accounted for 3 events, with 436 separations.

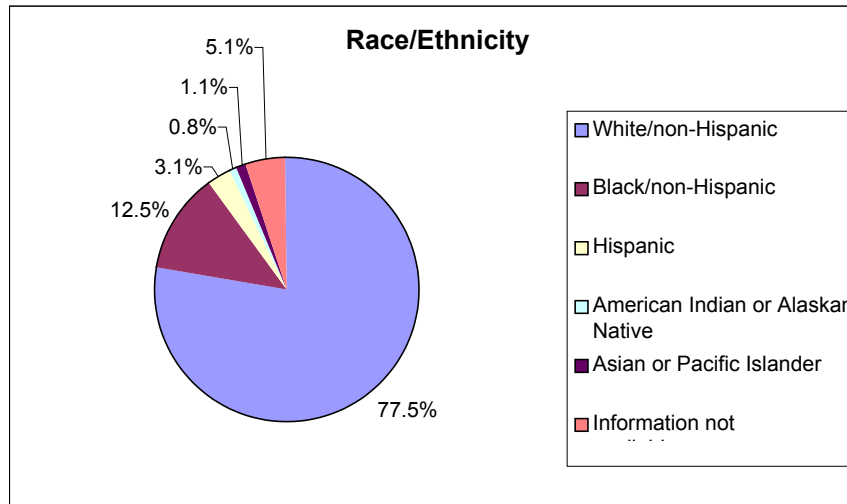
Other reasons were as follows: Bankruptcy (2 events, 391 separations), Contract Completed (1 event, separations data not available), Domestic Relocation (1 event, 200 separations), Financial Difficulty (2 events, 312 separations), Material Shortage (1 event, 300 separations), Overseas Relocation (1 event, 73 separations), and Reorganization within the Company (1 event, 121 separations).

Reason for Layoff	2nd Quarter, 2002	
	Events	Separations
Bankruptcy	2	391
Contract Cancellation	3	436
Contract Completed	1	*
Domestic Relocation	1	200
Financial Difficulty	2	312
Material Shortage	1	300
Overseas Relocation	1	73
Reorganization within the Company	1	121
Slack Work	4	395
TOTAL	16	2,228

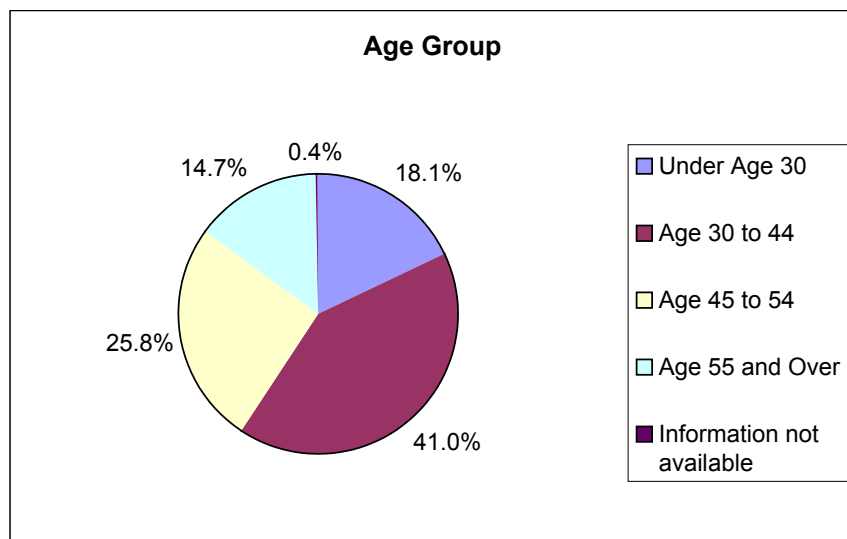
*Separations data not available.

Initial Claimant Characteristics

Race/Ethnicity: There were 1,956 initial claims for unemployment insurance related to the establishments reporting mass layoff events in the 2nd quarter of 2002. Of these, 77.5% were White/Non-Hispanic, 12.5% were Black/non-Hispanic, 3.1% were Hispanic, 0.8% were American Indian or Alaskan Native, and 1.1% were Asian or Pacific Islander. Information was not available for 5.1% of the claimants.



Age Group: The Under 30 age group accounted for 18.1% of the initial claimants, while the 30 to 44 age group had the highest percentage at 41%. Ages 45 to 54 made up 25.8% and ages 55 and over accounted for 14.7% of the initial claimants. Information was not available for 0.4% of the claimants.



Gender: Of these claimants, 53% were male while 47% were female.

Initial Claims by Workforce Investment Area

A large percentage of the initial claims associated with layoff events in the 2nd quarter of 2002 were concentrated in two areas of the state. The Southwest region had 352 initial claims, while St. Charles County had 300 initial claims. These two areas accounted for 36.3% of all claims. The Northwest Region was third, with 221 claims. Initial claims are by place of residence.

